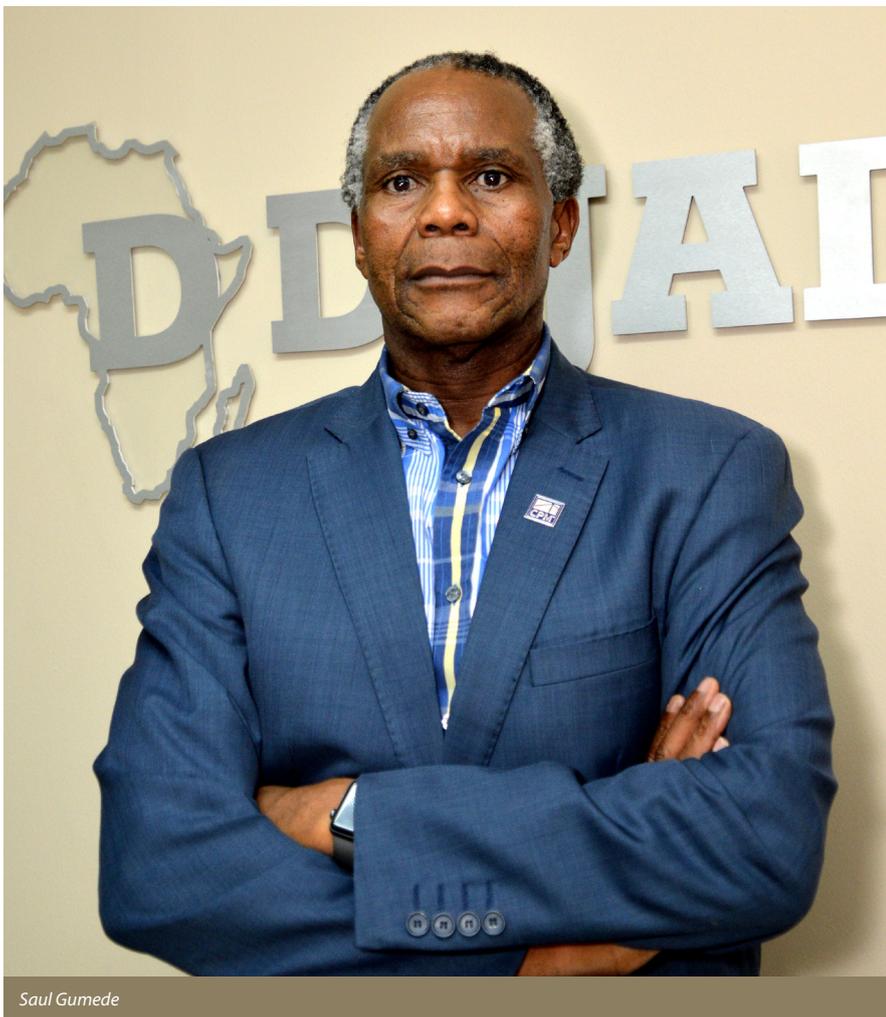


Advancing accreditation in South Africa's commercial property sector

Saul Gumede, the first South African Chapter President of the Institute of Real Estate Management, spoke to *Property Review* about what it means to have accreditation through IREM and to become a certified property manager (CPM®)

By Mark Pettipher



Saul Gumede

Many of our members will know Saul Gumede through his long-established connection with SAPOA. From 1996 to 1997, he was the Vice-Chairman of the Gauteng Provincial Council, then a National Council Member from 1997 to 1998. He was elected as National Honorary Treasurer in 1998 and as National Vice-President in 1999, resigning from his post in 2000.

But Gumede is probably better known for being one of the founding members (and a President) of the South African Institute of Black Property Practitioners (SAIBPP) as well as the Group CEO of Dijalo Property Group.

Gumede became South Africa's first IREM CPM® in 1999, and has since been the driving force behind establishing an IREM Chapter in South Africa.

"IREM is a US-based community of real estate managers dedicated to ethical business practices, maximising the value of investment real estate, and promoting high-level management through education and information sharing," he explains. "IREM has been operating for eight decades and boasts a global membership of more than 20 000 individuals and more than 570 corporate members. It has a presence in 15 countries.

"An IREM certified property manager is entrusted with demonstrating the highest levels of experience, expertise and competency, as well as integrity towards the profession."

As President of the SAIBPP, Gumede, began working with IREM in early 1990. Subsequently, SAIBPP and IREM signed a protocol agreement, agreeing to:

- Cooperatively build a foundation of ongoing education and professional credibility to enhance the stature of property managers in South Africa;
- Share the goal of achieving coordination and mutual recognition of high standards of professional practice and the code of professional ethics of the Certified Property Manager (CPM®);
- Share the goal of formulating in South Africa the profession of property management, and train South African property managers at a professional level, which would correspond to the standards, practices and ethics required for the CPM® designation; and
- Provide a forum for the exchange of mutual knowledge and information.

Fast forward to August 2017 and Gumedede, as a member of the SAIBPP's Education Committee led by Tholo Makhaola, and through a partnership with Wits University and commercial retail property investment fund Pareto Ltd, was the holder of the IREM CPM® certification in Johannesburg – a first for the African continent.

From a statement released at the time, we know that Wits is currently the only non-American university whose real estate degrees have been accredited towards the attainment of the IREM CPM® designation.

The first intake of South African IREM Certified Property Managers, sponsored by Pareto Ltd, also graduated in August 2017.

"As a leading retail property investor in South Africa, we are passionate about investing in developing a sustainable and high-quality local skills base," said Malose Kekana, Group Chief Executive Officer of Pareto Ltd, of the company's involvement in the initiative. "This partnership with IREM will not only assist in raising local standards of commercial property management but also in fast-tracking access to the industry for new entrants."

"The introduction of the IREM CPM® qualification to the South African commercial property industry not only introduces an internationally recognised standard for commercial property management but also enables increased international mobility for domestically educated commercial property managers because the qualification is globally recognised and accredited," says Gumedede. "International property investors who have property assets in the country will feel more comfortable if their properties are managed by CPM®s."

"IREM South Africa Gauteng Chapter No. 123 was officially launched at the Sandton Convention Centre on 6 February 2019 by IREM international President Don Wilkerson. In the US and many other countries, most of the bigger cities have at least one Chapter. Each Chapter deals with the issues that affect its members locally, and shares solutions and practices through

a common online system and through a series of manuals and books. All our procedures and books are written by professionals in the industry, which makes them practical.

"Because day-to-day issues are also dealt with through a committee, information is updated regularly, which ensures procedures remain relevant and accessible to all CPM® members internationally. The committee is also entrusted with maintaining our best global practices ethic."

“ The remaining requirement to becoming a full CPM® is that the candidate needs at least three years of verifiable and specific type of work experience in the property management environment, proof of which needs to be endorsed by their manager and verified by their IREM Chapter. This experience is essential. Without the three years of working experience, it will be difficult to pass the management plan component ”

About the recruitment of the first group of CPM® candidates, Gumedede says, "Before we could apply for an IREM Chapter in South Africa, we needed to have at least 10 CPM®s in the region. To do this, SAIBPP approached Wits. Together, we selected suitable students who were doing an honours degree in real estate (some of whom were already in the industry) to try their hand at the exam in August 2017.

"As a result of the success of that group, we also had to have the Wits BSc Property Management curriculum evaluated by IREM to see whether the content allows graduates to be fast-tracked in a manner similar to the honours degree holders."

Both degrees have since been accepted by IREM, making them the first non-US programmes to enjoy this recognition.

Several steps are required to become a CPM®. "We agreed with IREM that we would also have courses designed specifically for people who have been in the industry for many years as an alternative route to certification," says Gumedede. "We can't expect them to take time off to do a full degree in real estate to become CPM®s. Through Wits, we have developed an alternative route with four blocks of courses that replace the approved degrees."

"In order to enrol in the CPM® courses, you don't need to have a degree – but you do have to have the ability to sit in a university-level course and study comfortably, analyse data and write a report with business recommendations," says Samuel Azasu, an Associate Professor at the School of Construction Economics and Management at Wits University. "It is advantageous to have good writing skills as well as basic skills in financial mathematics and modelling in Excel – then you have a good chance of successfully completing the Wits/IREM CPM® courses, regardless of your prior qualifications."

The first three blocks are the main courses the approved degree holders are exempted from; the fourth block is the preparation for the certification exam and the other exams that no-one



Samuel Azasu

“ Even a candidate who doesn’t have a degree can join the programme. The course is designed to give access to professional certification, and is specifically targeted at people who are already in the property sector, who have previous experience in managing commercial property and who do not have a degree (nor the time to actually enrol for one) ”

is exempt from. The first three blocks of courses are held during the day (one week at a time) throughout the year, while the fourth block lasts nine days (starting on a Monday and ending the following Monday). This includes working through the weekend, and culminates in a 20-hour exam, where attendees have to write a business plan for a commercial property.

Passing all the courses as well as the examination means that the professional becomes a candidate CPM®.

The remaining requirement to becoming a full CPM® is that the candidate needs to have at least three years of verifiable and specific type of work experience in the property management environment, proof of which needs to be endorsed by their manager and verified by their IREM Chapter. This experience is essential.

“Without the three years of working experience, it will be difficult to pass the management plan component of Block 4,” says Gumede. This is one of the strengths of the Wits degrees: while graduates with no work experience managed to pass the 20-hour exam, few of them passed before graduating.

“When you begin the process of applying yourself to becoming a CPM®, you automatically become a Candidate CPM®, which means full access to all the CPM® material available through IREM,” says Gumede.

“Even a candidate who doesn’t have a relevant degree can join the programme,” says Azasu. “The course is designed to provide access to professional certification, and is specifically targeted at people who are already in the property sector, who have previous experience in managing commercial property, and who do not have a degree (nor the time to actually enrol for a degree because of family and other commitments).

“However, if the candidate is already studying for a Wits BSc, it would be better for them to complete their degree before attempting this course. All property-related degrees at Wits have already been accepted by IREM as satisfying the requirements for Blocks 1 to 3.”

“The Chapter is an independent organisation,” says Gumede. “Even though Dijalo has spent a lot of time and money over the past 20 years, it continues to support and drive its initiatives and day-to-day functions. I personally have invested a great deal of time into the formation and running of the Chapter, and have attended 14 IREM conferences in the US to ensure that we have continuity.

“The Chapter’s executive is elected every two years. Because I’ve been involved in forming South Africa’s first Chapter, I am honoured to have been asked to be the Chapter’s first President, and I look forward to establishing a firm foundation on which the local Chapter can continue to grow.

“Now that we have an official Chapter in our country, we are looking to encourage sponsorship through the industry. The sponsorship will go a long way towards funding CPM® candidates. For the past two years, we have had sponsorship from Pareto; this year Attacq Limited will also be a sponsor. When IREM President Don Wilkerson visited South Africa for the inauguration of our Chapter, the Chapter executive joined him for face-to-face discussions with CEOs of Redefine, Growthpoint, Broll and JHI about the values and benefits of IREM. This has resulted in some very positive interest.”

Gumede’s only involvement with the SAIBPP now is to ensure that the CPM® programme continues on its path of increasing the numbers of qualified CPM®s in South Africa. Since the first IREM Chapter has been successfully established, he will be assisting with establishing more Chapters in large metropolises such as Durban and Cape Town, with the ultimate aim for South Africa to become a Regional Member.

“We will be working with key stakeholders in the industry to see how we can fast-track Chapters throughout the country,” he says. “Once we have four or five Chapters, we will be allowed Regional status; then we can attend IREM Global conventions as one voice from the country.”